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26 BGI GENOMICS CO, LTD., BGI AMERICAS
27 CORP., MGI TECH CO., LTD., MGI
28 AMERICAS, INC., AND COMPLETE
GENOMICS, INC.

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

ILLUMINA, INC., and
ILLUMINA CAMBRIDGE LTD.,

Plaintiffs,

V.

BGI GENOMICS CO., LTD.,
BGI AMERICAS CORP.,
MGI TECH CO., LTD.,
MGI AMERICAS, INC., and
COMPLETE GENOMICS INC.,

Defendants.

Case No. 3:19-cv-03770-WHO

**[JOINT PROPOSED] MODIFIED
PRELIMINARY INJUNCTION**

COMPLETE GENOMICS INC.,

Counterclaim-Plaintiff,

V.

ILLUMINA, INC., and
ILLUMINA CAMBRIDGE LTD..

Counterclaim-Defendants.

1 Plaintiffs Illumina Cambridge Ltd. and Illumina, Inc. (collectively, "Illumina") and
 2 Defendants BGI Genomics Co. Ltd., BGI Americas Corp., MGI Tech Co., Ltd., MGI Americas,
 3 Inc., and Complete Genomics, Inc. ("Defendants") (collectively, "the Parties") jointly move for
 4 entry of a modified preliminary injunction. In consideration of the entire record and for the reasons
 5 detailed in this Court's Order Re Motions For Preliminary Injunctions dated June 13, 2020 (Dkt.
 6 185), Illumina has demonstrated that it is likely to succeed on the merits of its patent infringement
 7 allegations against BGI Genomics Co., Ltd., BGI Americas Corp., MGI Tech Co. Ltd., MGI
 8 Americas, Inc., and Complete Genomics, Inc. ("Defendants"). Defendants have not presented a
 9 substantial question of the validity of the asserted patents. In addition, Illumina has demonstrated
 10 that it is substantially likely to suffer irreparable harm from Defendants' ongoing infringement and
 11 that the balance of equities and the public interest favor protecting Illumina and granting a
 12 preliminary injunction. Having met and conferred in good faith to narrow their disputes and moot
 13 Defendants' appeal regarding the original Preliminary Injunction (Dkt. No. 194), the Parties have
 14 stipulated to modify the Preliminary Injunction as described herein. The Parties' Motion for a
 15 Modified Preliminary Injunction is therefore GRANTED.

16 **Accordingly, IT IS HEREBY ORDERED :**

17 Defendants and their officers, agents, affiliates, servants, employees, and attorneys, and all
 18 those persons acting or attempting to act in concert or participation with them, are enjoined from (1)
 19 distributing in the United States (a) the Accused Sequencers or accused reagents, or (b) any products
 20 that are not colorably different that practice or embody the claims of U.S. Patent No. 7,566,537 ("the
 21 '537 Patent") or U.S. Patent No. 9,410,200 ("the '200 patent"); (2) contributing to or inducing the
 22 use or sale in the United States of the accused reagents or reagent kits that contain nucleotides with
 23 a 3'-O azidomethyl blocking group by encouraging the use of the Accused Library Preparation Kits
 24 with, in the United States, such accused reagents or reagent kits; or (3) using the Accused Sequencers
 25 or accused reagents in the United States to promote them to third parties (collectively, "Prohibited
 26 Conduct"). The Accused (1) Sequencers, and (2) Library Preparation Kits are listed in the attached
 27 Appendix under the corresponding headings of "1" and "2".

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1 The Preliminary Injunction shall not otherwise enjoin Defendants' activities with respect to
 2 the Accused Library Preparation Kits, including distributing, making, using, selling, importing,
 3 offering for sale in the United States, promoting, advertising, marketing, servicing, or supplying the
 4 Accused Library Preparation Kits in the United States so long as the libraries prepared using the
 5 Accused Library Preparation Kits are not sequenced in the United States using the accused reagents
 6 or reagent kits that contain nucleotides with a 3'-O azidomethyl blocking group. For clarity, with
 7 respect to the Accused Library Preparation Kits, Defendants are not enjoined from non-Prohibited
 8 Conduct within the United States such as using the Accused Library Preparation Kits to prepare
 9 libraries within the United States that are then sent outside the United States for further processing
 10 and analysis, including sequencing, or as allowed by any further modification to the Preliminary
 11 Injunction.

12 Notwithstanding any language to the contrary, Defendants are not enjoined from (1) using
 13 the Accused Sequencers with noninfringing sequencing reagents or (2) internal development
 14 activities relating to its current CoolMPS product insofar as permitted under the Protocol for Use of
 15 CoolMPS with Azidomethyl Internally at CGI's Facility in San Jose as detailed below.

16 The Parties agree to the following Protocol for Use of CoolMPS with Azidomethyl Internally
 17 at CGI's Facility in San Jose, consistent with this Preliminary Injunction, that is being used to ensure
 18 that Defendant's development activities are non-commercial pursuant to the Court's Order (Dkt.
 19 No. 223) (such agreement is not consent by Illumina to the use of any of its rights beyond the patents-
 20 in-suit in this limited way and is only a compromise to narrow the parties' disputes):

21 I. With respect to the use of 3' azidomethyl blocked nucleotides by the Defendants in
 22 the United States, only employees of CGI will be entitled to such use. CGI agrees that it will not
 23 send or communicate the results of experiments that use azidomethyl in the current CoolMPS
 24 products for improving such products to any affiliate or parent outside of San Jose. Nor will CGI
 25 publish any results of such experiments or communicate them to anyone who is not an employee of
 26 CGI.

27 II. The purchase or receipt of any 3' azidomethyl blocked nucleotides in the CGI San
 28 Jose facility will be controlled by Dr. Rade Drmanac or the purchasing department.

1 III. The purchase or receipt of 3' azidomethyl blocked nucleotides will be recorded in a
 2 manner which indicates the date and quantity on which such nucleotides were received in the San
 3 Jose facility.

4 IV. Dr. Drmanac or Matt Callow will limit the use of 3' azido methyl blocked nucleotides
 5 to no more than 10 researchers within CGI's San Jose facility.

6 V. Any data obtained from the use of 3' azidomethyl blocked nucleotides for improving
 7 CoolMPS that is stored electronically will be stored in a password-protected folder in a way that is
 8 not accessible to any employee outside CGI's San Jose facility. Dr. Drmanac will limit access to
 9 the data to no more than 15 researchers. All researchers with access to these restricted data will be
 10 informed about limitations on how the data can be used and communicated and will acknowledge
 11 in writing that discussions of the data or work cannot be communicated outside CGI by reading and
 12 signing the terms of this protocol.

13 VI. The 15 approved personnel certify under oath that they will not use the CGI
 14 information or materials from the post-preliminary injunction work if infringement of valid claim is
 15 finally adjudicated.

16 VII. The documentation and materials generated post-injunction shall be destroyed if and
 17 when infringement of a valid claim is finally adjudicated.

18 VIII. Any documentation or materials generated post-injunction and to which the protocol
 19 applies will be labeled with a legend stating that the material is subject to the Protocol.

20 IX. Defendants' use of 3' azidomethyl blocked nucleotides will be limited to the current
 21 CoolMPS products. If Defendants use 3' azidomethyl blocked nucleotides outside this protocol,
 22 Defendants shall provide written notice to Illumina within 10 days of such use, including a
 23 description of such and a full description of the chemical structure of the blocked nucleotides.

24 X. Defendants will not commercially exploit their work under the Protocol if Illumina
 25 obtains final judgment of infringement of any valid asserted patent(s).

26 XI. The researchers referenced in the Protocol will be Defendants' employees who work
 27 in CGI's San Jose facility. Defendants will maintain an internal list of such researchers, which
 28 Illumina can seek and Defendants can oppose as part of the discovery process.

1 XII. So long as the injunctions remain in place, Defendants will not send or communicate
 2 the results of experiments that use azidomethyl or any other information or material generated under
 3 the Protocol to any affiliate or parent outside of CGI's San Jose facility and will not use any such
 4 results, information or material to improve their sequencing reagents outside the United States.

5 To the extent that notice had not been sent pursuant to the preliminary injunction order
 6 entered on July 8, 2020 (Dkt. No. 194), Defendants shall, within ten days from the date of issuance
 7 of this modified Preliminary Injunction order, provide notice and a copy of this Preliminary
 8 Injunction to (1) each of the Defendants' officers, agents, affiliates, servants, employees, and
 9 attorneys; (2) all past and current users of (a) the Accused Sequencers, accused reagents or Accused
 10 Library Preparation Kits and/or (b) products that are not colorably different that embody the claims
 11 of the '537 Patent or the '200 Patent, in the United States; and (3) any other person or entity acting
 12 in active concert or participation with any of the Defendants with respect to any of the activities
 13 enjoined here, such that above persons and entities are duly noticed and bound by this Order under
 14 Federal Rule of Civil Procedure 65(d)(2). Defendants shall further provide proof of each such notice
 15 to this Court by filing it in this action within fourteen days from the date of issuance of this
 16 Preliminary Injunction.

17 Illumina has provided security in the sum of \$20 million dollars for both the preliminary
 18 injunction in this case and in related Case No. 3:20-cv-01465-WHO to cover the potential costs and
 19 damages sustained by any party found to have been wrongfully enjoined or restrained. Illumina
 20 agreed to provide security in that amount to avoid litigating an additional dispute at this stage, while
 21 reserving its rights to contest the amount of any such costs or damages if they become recoverable
 22 after Defendants have attempted to prove them up. The security amount is \$20 million total if in
 23 either this case or Case No. 3:20-cv-01465-WHO Defendants are found to have been wrongfully
 24 enjoined or restrained; the \$20 million amount shall not be divided between the two cases.

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1 Dated: September 14, 2020

2 By: /s/ Edward R. Reines

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25 *Attorneys for Defendants*

1 **IT IS SO ORDERED.**

2 DATED: September _____, 2020.

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5 WILLIAM H. ORRICK
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WILLIAM H. ORRICK
United States District Judge

Appendix

(1) Accused Sequencers:

MGISEQT7, DNBSEQ-G400 (previously known as the MGISEQ-2000), DNBSEQ-G50 (previously known as the MGISEQ-200), BGISEQ-500, and BGISEQ-50 (all of which include the BGI sequencer instrument, the sequencer instrument software, and the sequencer instrument computer workstation).

(2) Accused Library Preparation Kits:

8 MGIEasy RNA Exome Application, MGIEasy RNA Library Prep Set, MGIEasy Small RNA
9 Library Prep Kit, MGIEasy RNA Directional Library Prep Set, MGIEasy rRNA Depletion Kit,
10 MGIEasy FS PCR-Free DNA Library Prep Set, MGIEasy Exome FS Library Prep Set, MGIEasy
11 Cell-free DNA Library Prep Set, MGIEasy Exome Universal Library Prep Set, MGIEasy PCR-Free
12 DNA Library Prep Set, MGICare BRCA1/2 Sequencing Library Preparation Kit, MGIEasy
13 Universal DNA Library Prep Set, MGIEasy Exome Capture V5 Probe Set, MGIEasy FS DNA
14 Library Prep Set, MGIEasy RAD Library Prep Kit, MGIEasy Exome Capture V4 Probe Set,
15 MGIEasy stLFR Library Prep Kit, MGIEasy Whole Genome Bisulfite Sequencing Library Prep Kit,
16 MGIEasy Circularization Kit, MGIEasy DNA Adapters-96 (Plate) Kit, MGIEasy DNA Clean
17 Beads, MGICare Single Cell Chromosomal Copy Number Variation Detection Kit, MGICare Single
18 Gene Genomic Disease Phasing and Chromosome Copy Number Variation Sequencing Library
19 Prep Kit, MGICare Cell-Free DNA Chromosomal Aneuploidy and Single Cell Disease Sequencing
20 Library Prep Set.

1 **ATTESTATION**

2 I, Edward R. Reines, am the ECF User whose ID and password are being used to file this
3 Stipulation. In compliance with Civil Local Rule 5-1(i)(3), I hereby attest that Derek L. Shaffer has
4 concurred in this filing.

5 DATED: September 14, 2020

By */s/ Edward R. Reines*
Edward R. Reines

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